



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

**CORPORATE OPERATING BUDGET**  
Fiscal Year 2024



**TO: PHILIPPINE CHARITY SWEEPSTAKES OFFICE (PCSO)**

Your Corporate Operating Budget (COB) for FY 2024 per approved PCSO's Board Resolution No. 030 s. 2024 dated February 15, 2024, submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of 1979, and Section 19, Chapter 3, Book VI of EO No. 292, series of 1987, is hereby approved for a total amount of **SEVENTY BILLION TWO HUNDRED FIFTY-ONE MILLION NINETY-SEVEN THOUSAND PESOS ONLY (P70,251,097,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES</b>	<b>P 87,117,757,000</b>	<b>P 87,117,757,000</b>	<b>P -</b>
Corporate Funds	87,117,757,000	87,117,757,000	-
<b>TOTAL USES</b>	<b>P 70,287,657,000</b>	<b>P 70,251,097,000</b>	<b>P (36,560,000)</b>
Personnel Services (PS)-Operating Fund	1,967,668,000	1,933,108,000 a/	(34,560,000) b/
Maintenance & Other Operating Expenses (MOOE)	63,716,825,000	63,716,825,000 c/	-
Operating Fund	5,848,218,000	5,848,218,000 d/	-
Charity Fund	21,139,793,000	21,139,793,000	-
Prize Fund	35,089,620,000	35,089,620,000	-
Printing Cost Fund	1,200,692,000	1,200,692,000	-
Corporate Income Tax	438,502,000	438,502,000	-
Capital Outlays (CO)-Operating Fund	3,945,412,000	3,943,412,000 e/	(2,000,000)
Others	657,752,000	657,752,000 f/	-
<b>Excess</b>	<b>P 16,830,100,000</b>	<b>P 16,866,660,000</b>	<b>P (36,560,000)</b>

**Footnotes:**

- a/ The approved PS level considered the adoption by the PCSO of the Compensation and Position Classification System (CPCS) authority per Governance Commission for Government-Owned or -Controlled Corporations (GCG) approval dated January 28, 2022. The said CPCS approval expressly authorizes the PCSO to implement Tier 1 of the Category 2 Salary Structure based on the authorized CPCS Job Grade equivalent pursuant to Executive Order (EO) No. 150 dated October 1, 2021. The utilization thereof shall be subject to the implementing rules and regulations of EO No. 150 and the corresponding CPCS circulars issued by the GCG for each PS item.
- b/ The variance of P34,560,000.00 pertains to the allocation for Service Recognition Incentive for FY 2024 which is found to have no legal basis.
- c/ The approved MOOE level is computed considering the PCSO's absorptive capacity for the three (3) immediately preceding years, applying the year with the highest Budget Utilization Rate (BUR) to determine FY 2024 MOOE level. Notably, the PCSO's FY 2022 BUR is at 100%. The MOOE levels for the three mandatory funds maintained by the PCSO (Charity Fund, Prize Fund, and Printing Cost Fund) are recommended as proposed.
- d/ Includes Confidential Fund amounting to P100,000,000.00, utilization of which is subject to the approval of the Office of the President (OP) pursuant to the Commission on Audit-Department of Budget and Management-Department of Interior and Local Government- GCG- Department of National Defense Joint Circular No. 2015-1 dated January 8, 2015.
- e/ The approved CO level considers the implementation-readiness of the projects and activities under the respective CO items which are expected to be completed within the year as certified by the PCSO. The variance in CO pertains to the overprovision in proposed amount versus the maximum allowable cost for the MVs.

The purchase of transportation equipment shall be consistent with the following guidelines:

1. Per Budget Circular No. 2022-1 dated February 11, 2022, the proposed acquisition of motor vehicles (MVs) is duly approved by the Department of Budget and Management through the attached **Authority to Purchase Motor Vehicle (APMV) No. BMB-C-24-0029**.
2. Procuring entities may undertake their own procurement of motor vehicles pursuant to GPPB Resolution No. 20-2019 which delisted the motor vehicles from the list of Common-Use Supplies and Equipment to be procured thru the Procurement Service (PS).

f/ The expenditure item "Others" is intended for the payment of dividends.

**Notwithstanding the aforementioned variance in PS and CO, the PCSO still has the flexibility to modify its utilization within the total DBM-approved budget level.**



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Further, the following conditions shall be observed and complied with:

1. All expenditures, whether for current operating expenditures or for COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and NG budgetary support either in the form of subsidy, equity or loans outlay.
2. Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional corporate receipts, shall require the submission of a supplemental COB to cover the additional expenditures.
3. This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval by the OP. **Disbursements for PS shall strictly observe pertinent compensation laws, rules and regulations**, including EO Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively, and EO No. 150 for Government-Owned or -Controlled Corporations (GOCCs) covered by RA No. 10149. Such expenditures shall also be subject to relevant conditions under the GPs of the annual General Appropriations Act (GAA) or any specific law or approval of the President of the Philippines and/or Secretary of Budget and Management or the GCG, as the case may be.
4. Disbursements for Extraordinary and Miscellaneous Expenses and other MOOE expenditures shall be subject to the relevant provisions of the annual GAA, among others.
5. The equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned, shall be secured before acquisition thereof. (e.g. Department of Information and Communications Technology for procurement of information and communication technology equipment covered by the GOCCs Information System Strategic Plan, and OP/Department of Budget and Management/Supervising Department for the purchase of motor vehicles, in accordance with the provisions of the Budget Circular No. 2022-01 [Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Motor Vehicles], RA No. 9184 [Government Procurement Reform Act] and its Implementing Rules and Regulations, among others).
6. Electronic payment shall be observed in the disbursement of corporate funds. In case the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
7. Pursuant to AO No. 6 dated September 19, 2017, no irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred. Furthermore, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed.
8. It is understood that this review action does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of existing laws, rules and regulations.
9. Any and all officials or employees who will authorize, allow or permit, as well as those who are negligent in the performance of their duties and functions which resulted in the incurrence or payment of unauthorized and unlawful obligation or expenditure shall be personally liable to the government for the full amount committed or expended and subject to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of EO No. 292.

**Recommending Approval:**

**ELENA REGINA S. BRILLANTES**

Director, BME-C

Date: \_\_\_\_\_

**Approved by: //**

**AMENAT F. PANGANDAMAN**

Secretary, DBM

cf:

**The Chairman**

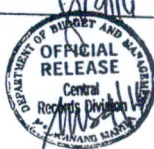
Board of Directors, PCSO

**Assistant Commissioner Winnie Rose H. Encallado**

Commission on Audit (COA) - Central Office  
COA Building, Quezon City

**The Resident Auditor**

COA - PCSO



**COB No. C4-24-0008**

Date: **APR 15 2024**